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The main argument advanced is the expediency of a system of unified defence where the interests of both mother country and colonies are so vitally bound up together. At present the colonies defray but an insignificant fraction of the cost of defence. Out of every pound spent for the protection of the combined commerce of mother country and colonies at sea, the United Kingdom contributes 19s. 5¾d., the outlying Empire 6¼d. Yet the annual value of the sea-borne commerce of the colonies and dependencies already equals two-thirds of that of the United Kingdom, and the *independent* trade carried on by the outlying Empire, either *inter se* or with foreign countries, equals three-eighths of the total commerce of the United Kingdom. Obviously this anomalous condition cannot be permanent. With these unpaid for advantages of the colonies must be reckoned the consular and diplomatic service of the Empire, to the full enjoyment of which they are entitled.

In a map appended to the volume Mr. Parkin gives us a picture of a "maritime position such as no people ever enjoyed before." England at present holds the great quadrilateral of oceanic power. Can the colonies, in view of their dependence on commerce, afford to forego their part in this magnificent and unparalleled system of commercial defence? This question is taken up in the succeeding chapters in relation to Canada, Australia, Tasmania, New Zealand, South Africa and the West Indies. England's interests and those of the greatest of all dependencies, India, are discussed. A chapter on Mr. Carnegie's views adds little to what has been said and might well have been omitted.

The book is written in a spirit of fairness and in good perspective. It cannot but awaken in the mind of every earnest reader a desire to follow step by step the progress of this great political drama.

J. H. R.

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*Sinking Funds*, by EDWARD A. ROSS, Ph. D., Associate Professor of Political Economy and Finance in Cornell University. Publications of the American Economic Association. Vol. vii., Nos. 4 and 5. Pp. 106. Baltimore, 1892.

"It is not that figures will lie," says an eminent American statistician, "but that liars will figure." There never was a better illustration of the truth of this saying than the famous theory of debt payment by a "permanent sinking fund," which Dr. Price unfolded 120 years ago in England. Pitt in England and Hamilton in America adopted in part the sleight-of-hand methods advocated so acutely and so conscientiously by the self-deluded Dr. Price, and the world is not

yet free from all traces of belief in this financial magic. Professor Ross has undertaken the task of giving to the world a scientific study of sinking funds. In a narrative, compact, clear and vivid, he sketches the history of English and American amortization. I am not aware that ever before has the experience of England and the United States with sinking funds been recounted with equal fullness in so brief a form. The facts have long been familiar, but Mr. Ross has arranged them with such happy skill, that new light is focused upon many points in the history of sinking funds.

The continuity between the English and American sinking funds is well shown. While following in the main the chronological order, the monograph is yet a comparative study, with marked simplicity and fidelity in the logical arrangement. The account of Hamilton's measures and of the early attempts of the United States at amortization is singularly lucid. The writer has the knack of going to the heart of the matter in hand, and the equally important knack of putting emphasis of statement in the right place.

Upon the basis of his historical and comparative study, Mr. Ross has constructed a theory of amortization. His analysis is acute and profound, and in the main, he justifies his classification of sinking funds. It does not clearly appear, however, what necessary distinction there is between his "fixed proportional" and his "simple proportional" sinking fund. Again, why should the "permanent appropriation of intentional surpluses" be classed as contingent? If an intentional surplus be a permanent policy, it can scarcely be called contingent. He has confused to some extent justification of his analysis with discussion of policy. The main point to be criticised, however, is the meagreness of the theoretical discussion. Here was an opportunity for a much wider and more detailed development of theory. Professor Ross has made a distinctly original contribution to the theory of the subject, and I express only, what it seems to me, will be a general regret, that the admirable analysis here made was not used as the frame-work of an ample theory of amortization. The author has but whetted the appetite of the students of public finance. If he gives them food of such fine flavor he should give them more.

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*Le Travail collectif en France—ses Intérêts—ses Besoins.* By TH. VILLARD, President de la Société Centrale du Travail Professionel. Pp. 312. Paris: Gaston Née, 1891.

Although the radical social legislation and the rapid advance of socialism in Germany have of late years turned attention to that